

Remarks by
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**“Development of Small and Medium Enterprises in
Azerbaijan”**

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I am very pleased to join you this morning for this important conference focused on developing small and medium enterprises in Azerbaijan. I had the pleasure of speaking at last year's conference and I eagerly accepted the invitation to return today although I also should confess to feeling a certain degree of jet lag having just gotten back late last night from Houston where I was engaged with the Azerbaijani-American community, your embassy in the United States, the mayor and other interested people from Houston in strengthening the sister city relationship between Houston and Baku.

This morning's event is a key part of Global Entrepreneurship Week here in Baku. Originally launched in 77 countries eight years ago, Global Entrepreneurship Week has now doubled in size. This week, we are celebrating entrepreneurship in more than 160 countries. From November 14 to 20, nearly 10 million people around the world will participate in a variety of events and competitions that will inspire, connect, and engage the next generation of entrepreneurs.

Given the efforts underway now in Azerbaijan to diversify its economy, to create new businesses and new jobs to help boost the prosperity and well-being of Azerbaijanis, Global Entrepreneurship Week and today's discussion are especially relevant. This was also one of the things I talked about in Houston, how that city with its strong links to the oil and gas industry has learned over the years to diversify its economy and mitigate the shocks that lower -- and rapidly rising -- oil prices can bring. One of the things they looked at was fostering individuals' efforts to create and grow new businesses.

If you look around the world, the most successful countries are the ones where people have the greatest opportunity to realize their dreams and aspirations. For many people, their ultimate dream is to start their own business. Young women and men play a powerful role in

building and growing economies by starting up their small businesses. All it takes is a great idea, a solid team, and hard work to turn that great idea into reality, launch their product, and transform the world.

Let me cite some examples. Hewlett-Packard Company – the one we know today as HP – was established by two university graduates in a one-car garage, with an investment of \$538. Yahoo and Google were also started by students. And the phenomenon that is Facebook was created by Mark Zuckerberg and his Harvard University roommates while they were still students. Today, these companies employ hundreds of thousands of people, and have changed how the world does business. That is the power of entrepreneurship. And that is what people - men and women - can achieve when an environment where they can succeed is created for them.

The United States is a strong advocate of entrepreneurship. As President Barack Obama said this past June, “When people can start their own businesses, it helps individuals and families succeed. It can make whole communities more prosperous and more secure. It offers a positive path for young people seeking the chance to make something of themselves.”

In Azerbaijan, the United States has long worked to help Azerbaijani women and men become entrepreneurs and continues to do so. One of the ways we support the establishment of new and emerging businesses is by building entrepreneurial skills and knowledge through projects funded by the United States Agency for International Development. These projects encourage women and young people to develop an interest in entrepreneurship that will in turn create Azerbaijan’s future business leaders.

For example, the United States supports the Economic Development Foundation, which works to improve engagement between the government and civil society on policy issues;

improve the legislative and institutional framework for the businesses; and provide assistance to women-led home businesses to improve their chances for success.

Also, the United States Embassy here, working with Azerbaijan's Ministry of Labor and Social Protection and the United Nations Development Programme has established a women's resource center in Masalli, and also youth employment centers in both Masalli and Ganja. These centers enhance the job search and networking skills of women and youth and thus the prosperity of these individuals and their communities. It is another example of the many things we have been doing in Azerbaijan in the 25 years since you regained your independence from the Soviet Union. That partnership for development has been and continues to be strong.

One other and final thing I should mention, and something whose importance was underlined in my discussions with Baku's sister city Houston, the general climate for business is as important for an entrepreneur as having the skills and desire to start a business. For this reason, the U.S. Government applauds Azerbaijan's steps to facilitate business growth. Policy and regulatory environment reforms that improve the business environment, facilitate competition, and enable the growth of small and medium sized businesses strengthen the overall economy, improve job opportunities for Azerbaijanis, and boost prosperity and stability. Reforms are not always easy, we know that from our experience in the U.S., but they only get harder if they are put off. The necessity does not go away, but the difficulties in carrying out the needed changes may indeed get harder if postponed.

So in closing, let me repeat that Americans stand ready to make Azerbaijan's reforms sustainable and effective, and to help play our part in bringing the dreams of Azerbaijan's entrepreneurs -- women and youth as well as men -- to life.

Thank you.